

# House Watch

A summary of today's House actions;  
published daily when the House is in session.



3/13/08

## MESSAGES FROM THE SENATE

### [HB 5443](#)

(Tobocman)

House Bill 5443 (S-1) would exclude bonds issued to refinance single-family homes from requirements related to the use of bond proceeds. Under the Act, with respect to bonds, other than refunding bonds, issued to finance single-family homes, for the first 60 days following the announcement of a program funded by the proceeds of those bonds, 50% of the proceeds available to make loans must be reserved for applicants with gross annual incomes at or below 60% of the statewide median gross income. In addition, not more than 50% of the proceeds of those bonds may be used to finance single-family homes for homebuyers who previously have had an ownership interest in a residence. Under the bill, those provisions would not apply to bonds issued to refinance single-family homes.

- The House concurred in the Senate substitute S-1 [RC 172: 104 yes, 1 no]

### [HB 5446](#)

(Scott)

House Bill 5446 (S-1) would allow MSHDA to have up to \$4.2 billion in outstanding notes and bonds until November 1, 2011, when the amount would revert to \$3.0 billion. Under the Act, until November 1, 2007, MSHDA was allowed to have outstanding bonds and notes in the aggregate principal amount of up to \$4.2 billion, excluding: -- The principal amount of bonds and notes issued to refund outstanding bonds and notes.

-- The principal amount of bonds and notes that appreciated in principal amount, except to the extent of the principal amount of the bonds and notes payable at such time.

-- The principal amount of notes and bonds representing an original issue discount, if any.

-- The aggregate principal amount of bonds and notes issued on or before November 1, 2007, that was outstanding on that date and that exceeded \$3.0 billion.

On November 1, 2007, the maximum aggregate principal amount was reduced to \$3.0 billion.

The bill would reinstate the \$4.2 billion limit until November 1, 2011, subject to the first three exclusions. The bill also would exclude the aggregate principal amount of bonds and notes issued on or before November 1, 2011, that was outstanding on that date and that exceeded \$3.0 billion. Also, under the bill, MSHDA would have to include in an annual report on new

programs the number of refinancings undertaken by MSHDA and the total dollar amount of all refinancings undertaken, for any programs or projects involving refinancings.

- The House concurred in the Senate substitute S-1 [RC 173: 104 yes, 1 no]

## FINAL PASSAGE

### HB 4151 (Gaffney)

House Bill 4151 would amend the Michigan Vehicle Code (MCL 257.310e) to prohibit a first-year driver ("a person issued a level 2 graduated licensing status") from having more than one passenger under 18 years of age—other than immediate family members—unless accompanied by a parent or guardian.

- Committee substitute H-2 was not adopted
- Gaffney substitute H-3 was adopted
- HB 4151 was passed [RC 176: 64 yes, 41 no]

### SB 273 (Hardiman)

The bill would amend the Child Protection Law to require the DHS, within 24 hours after receiving a report of suspected child abuse or neglect involving certain violations, to notify the local law enforcement agency as well as the prosecuting attorney (as is currently required); and to extend that requirement to other reports involving a child's death, sexual abuse or exploitation, or severe physical injury.

- SB 273 advanced to 3<sup>rd</sup> Reading
- SB 273 was passed [RC 162: 102 yes, 0 no]
- IE was ordered

### HB 5669 (Constan)

House Bill 5669 would amend Chapter IV (MCL 764.1a) to specify that a magistrate could not refuse to accept a complaint alleging a violation of Chapter XXA of the Michigan Penal Code, which deals with the abuse of vulnerable adults, on the grounds that the complaint is signed upon information and belief by an individual other than the victim.

- Committee substitute H-2 was adopted
- HB 5669 advanced to 3<sup>rd</sup> Reading
- HB 5669 was passed [RC 163: 104 yes, 0 no]
- IE was ordered

**SB 667****(Brown)**

The bill would authorize a county clerk to perform a marriage in a county other than the one in which he or she serves, with permission of that county's clerk.

- Schuitmaker-1 was adopted
- SB 667 advanced to 3<sup>rd</sup> Reading
- SB 667 was passed [RC 164: 93 yes, 11 no]
- IE was ordered

**HB 4247****(Meadows)**

Under PA 633, a "wind energy system" is defined as an integrated unit consisting of a wind turbine composed of a rotor, an electrical generator, a control system, an inverter or other power conditioning unit, and a tower, that uses moving air to produce power. House Bill 4247 would add that a wind energy system also includes *any foundation, easement, or right of way associated with a tower*. The bill also specifies that a wind energy system is an alternative energy system and is exempt from the collection of property taxes as provided in Section 9I, which was added by Public Act 549 of 2002.

- HB 4247 advanced to 3<sup>rd</sup> Reading
- HB 4247 was passed [RC 165: 105 yes, 0 no]
- IE was ordered

**HB 5727****(Meadows)**

The bill would amend Section 2803 of the Estates and Protected Individuals Code (EPIC) to specify that an individual *who is convicted of committing abuse, neglect, or exploitation* would forfeit all benefits with respect to the decedent's estate. In addition, the terms *felon* and *abuse, neglect, or exploitation* would be added to subsections within the section that revoke provisions and sever interest in property through governing instruments conferring power of appointment, or transferring interests of the decedent to the individual. The section currently only applies to an individual who feloniously and intentionally kills the decedent. The bill would extend the section to also apply to the conviction of the felon for the abuse, neglect, or exploitation of the decedent.

- Committee substitute H-1 was adopted
- Meadows-2 was adopted
- HB 5727 advanced to 3<sup>rd</sup> Reading
- HB 5727 was passed [RC 166: 105 yes, 0 no]
- IE was ordered

**HB 5160****(Marleau)**

The bill would amend the Michigan Vehicle Code (MCL 257.625) to revise the definition of "prior conviction" found in the drunk driving provision and for which an enhanced penalty would apply. Currently, a conviction for any of the listed offenses are treated as a prior conviction whether the conviction was for a violation of a state law in Michigan, a local ordinance substantially corresponding to a state law, or a law of another state substantially corresponding to a state law in Michigan. The bill would add to the above, convictions under a law of the United States substantially corresponding to a law in this state. The bill would take effect July 1, 2008.

- Committee substitute H- 1 was adopted
- HB 5160 advanced to 3<sup>rd</sup> Reading
- HB 5160 was passed [RC 167: 104 yes, 1 no]
- IE was ordered

**SB 948****(Hunter)**

Senate Bills 948 and 1133 would both amend Section 44 of the act (MCL 125.1444). Currently, Section 44 allows MSHDA, among other things, to make, purchase, or participate in loans made to individual purchasers for acquisition and long-term financing of newly rehabilitated, newly constructed, or existing 1- to 4-unit housing units intended to provide housing for low income or moderate income persons in all or a portion of those units. Both bills would allow MSHDA to refinance these projects. If the loan were made for refinancing of an one- to four-unit housing unit, including a residential condominium unit as defined in Section 4 of the Condominium Act, one of the units would have to be occupied by the borrower. The authority for MSHDA to make, purchase, or participate in loans for refinancing under the bills would expire three years after the bills' effective date. In addition, to qualify under this provision, the purchase price of the unit must be under the caps established in the act. Senate Bill 948 would specify that in the case of a refinancing, the appraised value could not exceed the currently listed caps.

- SB 948 advanced to 3<sup>rd</sup> Reading
- SB 948 was passed [RC 168: 103 yes, 2 no]
- IE was ordered

**SB 950****(Clarke)**

Senate Bill 950 would add a new section to the act (MCL 125.1424f) to create the Recapture Tax Fund. The fund would be under the jurisdiction and control of MSHDA. Money in the Fund could be used to reimburse individual borrowers for any taxes the borrowers paid and for which they were liable under Section 143(m) of the Internal Revenue Code. Money in the Fund could also be used for any similar recapture taxes applicable to programs that MSHDA administers. Any money available to MSHDA from any source or sources, including funds held by MSHDA, could be paid into the Fund. There would be no obligation for the authority to maintain a balance of money in the Fund.

- SB 950 advanced to 3<sup>rd</sup> Reading
- SB 950 was passed [RC 169: 104 yes, 1 no]
- IE was ordered

## **SB 951**

**(Thomas)**

Senate Bill 951 would amend Section 1 of the act (MCL 125.1401), which contains several legislative "determinations" related to the need to provide assistance with financing purchases of existing single-family residences for low and moderate income families. The bill would include in the list of legislative determinations, the need to provide assistance with refinancing single-family homes. The bill would add a new legislative determination that there is a pressing need for the creation of programs to assist low and moderate income individuals and families with the refinancing of single-family mortgages in order to prevent families from losing their homes and to help stabilize the housing market in the state. The bill says that "economic conditions and single-family home mortgage market standards, activities, and practices, including forms of predatory and abusive mortgage loan financing, have resulted in an increase in the incidence of mortgage loan default and mortgage foreclosure in the state" (giving rise to the need for the refinancing programs).

- SB 951 advanced to 3<sup>rd</sup> Reading
- SB 951 was passed [RC 170: 105 yes, 0 no]
- IE was ordered

## **SB 1133**

**(Richardville)**

Senate Bills 948 and 1133 would both amend Section 44 of the act (MCL 125.1444). Currently, Section 44 allows MSHDA, among other things, to make, purchase, or participate in loans made to individual purchasers for acquisition and long-term financing of newly rehabilitated, newly constructed, or existing 1- to 4-unit housing units intended to provide housing for low income or moderate income persons in all or a portion of those units. Both bills would allow MSHDA to refinance these projects. If the loan were made for refinancing of an one- to four-unit housing unit, including a residential condominium unit as defined in Section 4 of the Condominium Act, one of the units would have to be occupied by the borrower. The authority for MSHDA to make, purchase, or participate in loans for refinancing under the bills would expire three years after the bills' effective date. In addition, to qualify under this provision, the purchase price of the unit must be under the caps established in the act. Senate Bill 1133 would raise the cap on purchase prices or, in the case of refinancing, the appraised values, as follows:

- SB 1133 advanced to 3<sup>rd</sup> Reading
- SB 1133 was passed [RC 171: 104 yes, 1 no]
- IE was ordered

## HB 5626

(Bieda)

The bill would amend the Consumer Protection Act to include the following offense in the act's list of unfair, unconscionable, or deceptive methods, acts, or practices in the conduct of trade or commerce (which are unlawful):

-Failing to clearly and conspicuously disclose in a written advertisement, in at least 10-point boldfaced type, that a coin or medallion is not legal tender of the United States and cannot be exchanged or redeemed at face value for U.S. currency.

-This applies to written advertisements by a mint, engraver, foreign government or authority, or other issuer or manufacturer of a coin or medallion advertised as "legal tender" but not a U.S. coin currently in circulation.

-It would not apply to a written advertisement by a dealer of coins or medallions not related to or affiliated with the issuer or manufacturer of the coin or medallion.

- Committee substitute H-1 was adopted
- HB 5626 advanced to 3<sup>rd</sup> Reading
- HB 5626 was passed [RC 174: 104 yes, 1 no]
- IE was ordered

## HB 5757

(Corriveau)

The bill would prohibit using a false record or statement to conceal, avoid, or decrease an obligation to remit money or property to the state pertaining to a Medicaid claim; create an additional civil penalty for a violation; and establish a statute of limitations regarding claims filed under the *qui tam*, or "whistleblower", provision that allows a private citizen to initiate a civil action for Medicaid fraud.

- Committee substitute H-1 was not adopted
- Corriveau substitute H-2 was adopted
- HB 5757 was passed [RC 175: 105 yes, 0 no]
- IE was ordered

# MOTIONS AND RESOLUTIONS

## HR 299

(Dean)

A resolution to urge universities and K-12 schools to warn children and young adults about the dangers of prescription and over-the-counter drugs, to encourage physicians and pharmacists to alert parents to the inherent dangers of these drugs, and to encourage parents to keep these medications out of their children's reach.

- HR 299 was adopted

### HR 303

(McDowell)

A resolution to call upon the Mackinac Bridge Authority to implement the Michigan Forest Products Council's proposed discount rate for high-volume commercial users.

- HR 303 was adopted